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# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### Testimony

### Insurance and Real Estate Committee

March 5, 2013

#### **H.B. No. 6547 (Raised) AN ACT CONCERNING ENTERPRISE RISK REPORTS.**

Senator Crisco, Representative Megna, and members of the Insurance and Real Estate Committee, the Insurance Department thanks the Committee for raising, H.B. 6547 An Act Concerning Enterprise Risk Reports, at the Department's request and appreciate the opportunity to provide testimony. H.B. 6547 will change the date for filing Enterprise Risk Reports with the Insurance Department.

Last year, at the request of the Department, the General Assembly made comprehensive amendments to the Insurance Holding Company System Regulatory Act (Public Act No. 12-103), including a requirement that Enterprise Risk Reports were to be filed with the Department not prior to June 1, 2013. This effective date delay was to give the companies sufficient time to put in place the new procedures necessary for them to comply with this reporting requirement.

The Insurance Department, though pleased with this legislation, requested that the effective date for the provisions governing supervisory colleges be changed from October 1, 2012 to July 1, 2012. The General Assembly granted this request, but in doing so, the legislation changed provisions governing Enterprise Risk Reports to require that Enterprise Risk Reports shall be filed on June 1, 2013 and annually thereafter. (Public Act 12-2, § 127, June 12 Special Session). An amendment to reinstate the language of PA 12-103 was prepared (LCO No. 5818) but was never called. However, Senate leadership assured the Department that they would fix this issue early in 2013 Regular Session.

H.B. 6547 resolves this matter to require that Enterprise Risk Reports shall be filed with the Department beginning June 1, 2014 and annually thereafter.

The Department again, thanks the Committee for raising this bill and encourages the Committee's support of this initiative.